



One of the important considerations you will need to address as you decide to go out on your own is how to organize the business legally. For small cartography shops (in the United States), you are essentially choosing between four types of organizations:

#### **1) SOLE PROPRIETORSHIP**

This is the most common form of filing for very small start-ups. Advantages include the ease of creation and the low costs of formation. However, one significant disadvantage of the sole proprietorship is that you may be exposed to substantial personal liability if your business should ever be unlucky enough to be sued or run into debt.

#### **2) LIMITED LIABILITY PARTNERSHIP (LLP)**

When two (or more) individuals organize a company, an LLP will help to structure all of the terms, conditions, and ownership that will be applied to both assets and liabilities (the splitting of profits and how the firm might be dissolved should it disband). It provides better protection from personal liability than a sole proprietorship (including the provision that any one partner cannot be held responsible if the others misbehave or are negligent), and is simpler and more affordable to establish than an S-Corporation. It does not provide the same level of protection from personal liability that an S-Corp will.

#### **3) LIMITED LIABILITY CORPORATION (LLC)**

This type of filing allows for one or more persons to form a business without full personal liability for business debt. It is cheaper and easier to form than an S-Corporation, and it does more to establish the business as an entity separate from the individual, but does not remove all personal liability if one should ever face legal action.

#### **4) S-CORPORATION**

This type of filing completely separates individuals from the business entity, which is fantastic from the standpoint of personal liability. However, it is generally more complicated and expensive to establish than the other forms of organizations, and will often require an attorney in order to set up properly.

Rules for each type of organization will vary from state to state—and everything is different if you are not in the U.S.—so before deciding how best to form your start-up venture, consult with the appropriate parties to determine what will work best for you. Also keep in mind that you need not necessarily stick with one type of organization. You could, for example, start with a Sole Proprietorship and turn that into an LLC or S-Corporation when you have sufficient cash flow.

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## PROMOTION

Perhaps the most important means of promotion for a cartographic business is a good portfolio; you need a visual way to demonstrate your experience and talents to prospective customers. Of course, this does pose a bit of a chicken-

and-egg problem if you are just beginning. One thing you can do is create a map or series of maps about a subject in which you are interested; however, I personally have found it difficult to get the most out of my skills on projects that are not for a paying (and demanding) client. An alternative would be to produce a map for free for a good cause, like MapGiving (<http://www.mapgiving.org>)

Once you have a portfolio, it is important to add to it over time so that people continue to check it for updates. You can use the full range of social networking options to keep your clients and contacts informed of what is happening—a blog or Twitter-feed would be a very easy way to achieve this.

Paid advertisements can be too much of a hit-and-miss investment. Unless you are really diligent about trying to get the best-scoring keywords, it is quite possible that it will cost you a lot more than it will ever make you.

There are websites, such as Elance and Odesk, that bring together freelancers with people looking to hire freelancers. Typically there are not a whole lot of cartography or GIS related projects on these sites (cartography generally seems to be lumped in with graphic design)—and more freelancers than jobs—so many clients seem to make their selections based more on price than quality.

The best kind of promotion is to have satisfied clients. If a client is happy about what you have done for them, they will tell others about their pleasant experience. If you have a decent sized network of clients who are in regular need of your services, you can even get by on minimal self-promotion.

## PRICING

Determining what one is worth is always difficult. Determining what kind of a budget a client has can be even more difficult (and some clients simply have unreasonable expectations). Sooner or later, it will happen that you are not selected for a project because you are too expensive. Whether you want to compete on price is up to you, but in most cases it is better to compete on the quality of your work. One poorly executed job that you do under price restrictions could cost you dozens in the future, while deciding to maintain your pricing would only cost you one now.

One way of getting a rough figure for an hourly rate is to calculate your billable hours per year (52 x 40 minus vacation time, sick time, other planned time off, and time for accounting and acquisition) then take your desired gross income, plus any expenses, and divide the result by those billable hours. For example, if you are looking for a gross income of \$30,000 and have \$10,000 in expenses planned (hardware, software, office supplies, etc.) with an average of 20 billable hours per week, you would need to have an hourly rate of \$38.46. Keep in mind that even when you are working full days, you will hardly ever get 40 billable hours per week.

One of the most fundamental things you have to decide is whether to charge on a per-hour basis or a fixed price for a project. Per-hour offers you the highest degree of security. However, clients may not be willing to pay for

the hours you spend considering various design options. In such a case, charging a fixed price would offer them the most security. Of course, it is very important to get as much information from your client as possible when you are in the price quote phase; the more information you have, the more accurate your quote is going to be, and the less chance for surprises afterwards.

Whichever way you choose to bill, it is highly recommended (especially on larger projects) to write up a detailed contract regarding what you will be doing in terms of work and what you will be receiving for that work. Other things that can be covered in such a contract are whether or not you will be allowed to use the resulting map in your portfolio and the point at which the copyright will be transferred (most commonly the copyright transfer would occur at the moment the client pays for the map in full). Another important consideration to make is what would happen if the client cancels the project halfway through. It is common to specify a so-called “kill fee” in the contract.

You can choose either to be paid in full after the project has been finished, or at intervals over the course of the project. The latter is quite common in cases where a custom design is being produced. The client pays 25% to 50% at the start of the project, with the remainder due at the end or other predetermined stages.

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## BALANCE

A point that is often overlooked is the balance between work and a private life. If work starts to pick up and you put in more and more hours every week (it is very tempting, especially at the start, to take on any job you can to generate income), it is very important to make sure you have enough time, and opportunity, to relax. One thing you can do is always give yourself a “day off”. It helps if you tell family members and friends about what you are doing so that they can offer you moral support when you need it.

## FOCUS

Another important decision to make is whether you want to be an all-round business, covering all aspects of cartography, or specialize in a certain type of map product. One theory says that it is better to be very good in one particular type of map than to be somewhat good in all of them. Specialization will also increase your chances of competing successfully with other freelancers. On the other hand, you do not want to be dependent on one type of map or one type of customer. To name one example, many cartographers catering to the real-estate industry have seen a sharp decrease in the volume of work they have been receiving. It is therefore important to add new clients to your roster every now and then and, if you see that business is getting slow, to consider expanding on the kind of maps or services you offer.

## TEAM UP OR NOT?

Related to the focus issue is the question of whether you should team up with other freelancers in order to offer a wider range of services (and have a higher capacity for taking on new projects). Of course, the other freelancers in your network can generate business for you, too. If you can get together a network with freelancers that have different skillsets, you will be in a good position to compete with larger organizations.

## IN CONCLUSION

These bits of advice are by no means absolute truths, but they seem to work out well for a lot of people. Make no mistake, being a freelancer is a lot of work and comes with a lot of uncertainty—so before you start, make sure you understand all of the consequences. There are also rewards that more than make up for it. These are not limited to just financial rewards; many freelancers enjoy the freedom and flexibility of being their own boss.

*This article is based on a Q&A session held during the 2009 NACIS conference, as well as several discussions on the CartoTalk forum. For more information, we recommend **The Freelance Design Handbook** by Cathy Fishel.*

